A STUDY OF PERCEPTION AND AWARENESS OF COMMERCE STREAM STUDENTS TOWARDS INDIAN SHARE MARKET (IN MAHARASHTRA WITH SPECIAL REFERENCE TO THANE DISTRICT)

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A Brief resume of proposed work

During the post 1990 period, the service sector in most of the Asian economies including India witnessed growth fueled by significant changes in their financial sector. India is now being ranked as one of the fastest growing economies of the world. During the last two decades or so, the role of the Indian share market industry as a significant financial service in the financial market has really been noteworthy. In fact since 1992, a number of research studies have underlined the importance of the two investment avenues, viz. shares and mutualfunds in the Indian capital market environment. But the existing 'Behavioral Finance' studies on factors influencing shares investment are very few and very little information is available about commerce stream students' awareness, preference, attitude and satisfaction. Yet again, perhaps no efforts are made to analyze and compare the selection behavior of Indian Commerce students towards shares particularly in the post-liberalization period. Under this circumstance, this thesis makes an earnest attempt to study the behavior of commerce students in the selection of these two investment avenues in Indian perspective by making a study.

Introduction to the proposed research topic

Investment behaviors are defined as how the investors judge, predict, analyze and review the procedures for decision-making, which includes investment psychology, informationgathering, defining and understanding, research and analysis. The whole process is “Investment Behaviour” (Slovic, 1972; Alfredo and Vicente, 2010). The foreign and Indian researchers surveyed on student investors' behavior unanimously agree that students are not active investors, they are less likely to take above-average or substantial risk when choosing investments and their investment decisions are centered on family circumstances. Regarding students' likes and dislikes towards investment, the researchers are of the view that students do not describe themselves as being confident or knowledgeable about investing. They do nothave diversified portfolios. They do not review and compare their investment performance with market benchmarks on a regular basis. They do not have control of their investments or have a consistent investment strategy. They are not satisfied with their current investment allocation. They do not invest regularly. They are less likely to have started investing early in life. They consult with a financial advisor when their investment did not perform as expected. This behavior well explains their cautious approach towards investment. Students' involvement in saving and investing is due to a specific life (retirement, a death or sudden financial gain). This involvement is often sudden.

Nature of share market - A stock market is primarily a virtual exchange of securities (i.e. shares and debentures, which companies use as a means of raising finance) and derivatives (i.e. virtual instruments such as contracts that relate to assets and securities and can be traded). It is virtual in the sense that the market is an intangible concept, rather than a physical place and as a result of advancing technologies traders can now get involved with little more than a laptop or mobile phone. The market brings together a range of traders of all shapes and sizes - from small, one-man bands trading for their own personal gains through to hedge funds managing billions in assets and everything in between.

Risk involvement - Risk is an inherent aspect of every form of investment. Investment in the share market is by no means a guaranteed investment. o Risk of capital -When a companyis performing poorly it may be difficult to find a buyer for the shares at the price one wants tosell them, o Volatility risk - Share prices can rise and fall rapidly and investors must accept the fact that the value of their shares may fluctuate by as much as 50 per cent or more in a year. General market risk can relate to a particular sector, e.g. mining shares are usually morevolatile than industrial shares such as bank shares.

Timing risk- Because of market cycles, some shares have a higher degree of risk when the overall share market has risen sharply and is set for a reaction. The opposite may apply when the market has gone into a strong decline and then starts to recover after showing some signs of stabilizing. Not all sectors of the market follow the same price cycles, o Risk of poor quality advice - Poor/ merely hearsay investment recommendations won't help to build a strong portfolio, o Legislative risk - Investment strategies could be affected by changes to the current laws.

Returns - Shares themselves are intangible assets entitling the bearer to an annual payment known as 'dividend' paid out of distributable profits and often corresponding voting rights in proportion to the size of the share held at the Annual General Meeting, where major strategic decisions such as electing the board are put to vote. The bearer of a share at any given point is in effect a part owner of the business to which those shares pertain and it is this aspect that gives a share any underlying value. The price of a share at any given stage is dictated by supply and demand within the market and rises or falls every time a share is bought or sold. This effectively means that shares are priced by the collective will and attitudes of the market, composed of all the traders and investment houses that actively trade in thosesecurities.

Liquidity - The liquidity of a stock refers to the degree to which a significant quantity can be traded within a short time frame without incurring a large transaction cost or adverse price impact.Liquidity can be triggered by public information releases such as earnings announcements, company events such as issue of bonus shares, stock splits and share buy-backs, the return performance of the stocks etc. Decline in liquidity arises when there is asignal of something fundamental happening in the economy, negative market returns etc

Review of literature

Review of literature benefits a researcher to get familiarized with our selected research

problem and also may provide some guidelines in selecting a proper research methodology. Moreover, it helps in finding out the research gaps in the existing literature.
This will help the researcher in fine-tuning their research problem and methodology. Another benefit of reviewing the existing literature is that in cases where the research problems are similar, the conclusions and findings may be easily compared. It will help the researcher to determine if their findings are practically capable of working successfully or not.

Brij Bhushan (Senior business analystat Motilal Oswal Securities)
- Anyone who has an interest in the stock market or share market can do a course in the Stock market. The main eligibility criteria for the stock market course is 12th. For a professional career in the stock market you need to be a graduate. There are various stock market courses which are related to the commerce students. The courses are related to finance and provide benefits to the commerce students.

Sumit Kumar - There are a lot of Stock market courses that s commerce student can do . You can go for Stock Market Consultant , Stock Broker, Investment Consultant ,etc.
Abhijeet Birari & Umesh Patil (2014) studied the spending and savings habit of youth in the city of Aurangabad. The study finds that significant difference exists in the spending habits of students belonging to different education levels.

Zainal Azhar1, Juliza1*, Nor Azilah1, Amirul Syafiq1 , Nor Azilah Husin - Young generation these days are more creative and technology savvy than the older generation socially and financially. One particular question may arise on whether this generation is concerned about and aware of their financial status in the future and investment. This research seeks to examine the awareness towards investment among young generation. This study used primary data by questionnaire, and the samples chosen are the young generation aged from 18 to 28 years old.
Based on our reading in the literature of awareness, there are three independent variables identified; financial literacy, personal interest, and environment that relate to the dependent variable, the awareness on investment. The objective of this is to examine the relationship awareness and the fore-mentioned independent variables. The result reveals that the key driven on investment among young generation is significantly based on independent variables selected. Finally, the limitations and recommendations are included to help further researchers to have a better finding of the result.

"INVESTMENT PATTERN OF YOUTH IN INDIA WITH PARTICULAR REFERENCE TO MUMBAI." By- "Ms. Sudarshana
Saikia et al, 2018". College of Commerce and Economics Simple financial literacy among young people, how they educate themselves and how they look at risk, returns, and different investment modes, and what determines the same thing. The results have been that incomes have risen in the graph, so they need profitable opportunities to bring their money in for days to come, but because of a lack of realistic comprehension, they are puzzled.

"FINANCIAL LITERACY, PERCEIVED RISK ATTITUDES AND INVESTMENT INTENTIONS AMONG YOUTH IN JAMMU AND KASHMIR", By- "AABIDA AKHTER,
2016" –
The results show that on average the youth show a high score on risk propensity than cautiousness. whereas discussed in previous chapters risk propensity measure the extent to which the respondents view risks positively and are in favour of taking more risks for better

returns.The findings show that on average, the youth have more liking for adventurous decisions. Also, they believe in analysing the relevant information carefully about the behaviour under consideration.

"Prudent Financial Behaviour among Youth: The Role of Financial Attitude", By- "Mohd Zamri Abu Bakar, Saridan Abu Bakar,2020"- The article talks about financial problems involving the younger generation who have been declared bankrupt is significant proof that the current young generation having difficulties in managing their personal finance effectively. It has been found out possessing positive FA is best to equip youth with sufficient knowledge, information and life skills to assist them to make right financial judgment, to improve their financial behaviour.

"Determinants of Investment Decision Making: An Empirical Study", By- "Gunjan Sharma et al, 2017".
This study includes the study of determinants of investment decision which are the most dominating factor affecting the investment decision. They found that the most influential factors are under "Firm's Image" with the highest loading, followed up by ethics that a particular firm follows.

- **"A study on Influence of Financial cognition on Personal Financial Planning of Indian Households", "Mahapatra Mousumi and De, Anupam, 2018"**

To study the implications of financial recognition towards financial behaviour of the investors. The effect of these three components, i.e.. financial attitude, risk attitude and financial awareness. is examined in this paper on six components of Indian households' personal financial planning process, i.e.. cash flow management, investment planning, insurance planning, tax planning. retirement planning and estate planning. The study points to the possibilities of indulgent of individual cognitive components to bring desirable behaviour change in the areas of informed financial decisions, calculated risk taking, formulation of realistic financial goals and postponing instant gratification.

- **"Explaining Households' Investment Behaviour", By- "Dmitry S. MAKAROV Astrid V. SCHORNICK, 2010"**

This study says that the wealthy population is more likely to invest the stock market. They also found that the wealthier households are willing to invests they're in the riskier assets. Poor individuals show a limited participation and adverse risk which leads them out of participation in the stock market. In recent decades, a trend has been observed that stock participation will increase, market involvement will increase over time, while the equity premium will decrease. Such results can be clarified by models of
uncertainty-averse investors, such as the one analysed in this paper. For our explanation to work, however, it is important for investors to be "sufficiently" heterogeneous in terms of their explanation.

"A STUDY ON INVESTMENT BEHAVIOR OF MIDDLE-CLASS HOUSEHOLDS IN NAGPUR", By- "DR. APARNA SAMUDRA et al, 2012

In 2012 this study was on middle class (income between 90,000 to 10,00,000) of Nagpur, as researcher believed that there remains a considerable untapped potential in India's growth and income. Investment instruments are divided into two basic, Physical savings like in real estate & gold and financial savings that are the bank deposits, shares & from which one earns income & wealth is known as mutual funds, insurance & other small saving schemes. The most preferred instrument for investment is found to be bank deposits, followed by life insurance. Age plays a major role in investment decisions; the retired and older generation tend to invest in safe securities. "Perception of Investors towards the Investment Pattern on Different Investment Avenues", By "U M Gopal Krishna et al, 2019"

Objectives of the research and Proposed Hypothesis Objectives

- **To Study commerce students' awareness of the share market.**
- **To study the extent of stock market perception of the students.**
- **To measure the level of student's satisfaction in the investment in shares.**
- **To find the reasons for students not investing in the stock market.**

Proposed Hypothesis

H_0

Commerce students can do better investment in the share market rather than other stream students

H_1

Commerce students cannot do better investments in the share market rather than other stream students.

H_0

Commerce students are self-aware about share market in Thane district.

H_1

Commerce students are not self-aware about share market in Thane district

YEAR WISE PLAN OF WORK AND TARGETS TO BE ACHIEVED

: Year-wise plan for completion of the research project-

Year 1- Literature review and gap analysis and Research Methodology

Year 2 - Data collection for main study

Year 3 - Data analysis, Thesis typing and printing

Methodology to be used and adopted

Sources of Data collection

In this, Research Scholar is adopted both, Primary data collection and Secondary Data collection.
Primary data collection involved a structured questionnaire with limited and focused questions covering questions regarding the perception, awareness of share market behaviour amongst students. The questionnaire addressed areas such as how much (approximately) of the income is saved, whether it is put into traditional modes of savings or into the capital markets and also questions regarding how much do social factors like friends and family influence their choices. **(350 respondents)** share information sufficient for inclusion into the study sample. The focus is on students working or having an earning source and studying at the same time.

The data collection makes as per the requirement of the study and includes Questionnaires, Focused group discussion, and Personal Interviews.
The sample is collected in the survey by 350 students in the Thane district.

Data Analysis: To analyse the data collected, appropriate statistical tools are adopted to test the hypothesis.CrossTab analysis is used.Mean ,mode, median ,t test and standard deviation method is used .
The data is analysed with the help of SPSS Software and also it shows data with the charts,graphs etc.

Area of Study:Thane district is taken for study.

Importance of the study

Stock market is the place where shares of public listed companies are traded. The primary market is where companies float shares to the general public in an initial public offering (IPO) to raise capital. Once new securities have been sold in the primary market, they are traded in the secondary market, where one investor at the prevailing market price or at whatever prices both the buyer and the seller agreed. The secondary market or the stock exchanges are regulated by the regulatory authority. In India the secondary and primary markets are governed by the Security and Exchange Board of India (SEBI). A stock exchangefacilitates stock brokers to trade company stocks and other securities. A stock may be bought or sold only if it is listed on an exchange. Thus, it is the meeting place of the stock buyers andsellers. India's premier stock exchange is the Bombay stock exchange and the National stock exchange. Stock markets are the platforms where buyers and sellers of shares meet and decide on the price to trade and earn great profit by investing wisely in the company .By investing in a company one can make money .
According to these sayings "Youth of today is the leader of tomorrow" we are mainlyfocusing on student's attitude and behaviors towards the stock market.

Scope of Study

Demographic factors are the study of a population expressed statistically, such as age, sex,

education level, income level, marital status, occupation, religion, birth rate etc. These are factors that are used to define the characteristics of a person or a population. Since our study is based on
student's awareness towards the stock market. Student's data is collected about their age, gender, educational background, region etc. The study is mainly based on students of the age 18-24. There are students who are currently graduating, and few might have completed and looking up for further studies.
We aim at this particular age group because the students get a clear idea about the economics conditions and other factors about their life.so; we think this age is the best age for students to know about the stock market. And the students get an idea about investment.

Tentative work plan with Chapter Scheme

- ★ Chapter 1: Introduction
- ★ Chapter2: Research Design and Methodology
- ★ Chapter3: Review of Literature
- ★ Chapter4: Analysis and Observation.
- ★ Chapter5:Findings, Conclusion and suggestions.
- ★ Bibliography Annexure

Expected outcome

The study is expected to not only study the perception and awareness, but it will also highlight the reasons for this. The research will also assess the impact of the attitude of the students towards the share market. Its outcome is expected to benefit both students and the country.

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